

DENIES GOVERNMENT HAS LOST TO MORSE

Federal Attorney Says Dropping of Civil Will Help Criminal Suits.

WON'T REVEAL EVIDENCE

Says It Was Useless to Proceed Against Bankrupt Shipping Companies.

Special Dispatch to THE NEW YORK HERALD.

New York Herald Bureau, Washington, D. C., Nov. 6.

Fletcher Dobyns of the legal department of the Emergency Fleet Corporation, said today that to have proceeded to prove the charges of fraud made in Government civil suit against Charles W. Morse of New York, would not have served any purpose, because all the companies with which the four Moroses were associated are bankrupt.

Replying to an interview given by Mr. Morse, in which the latter said the charges of fraud had been withdrawn by the Government, Mr. Dobyns declared that to continue the civil suit merely would put into the hands of the Morse attorneys the evidence upon which the Government expects to convict Morse and others in the criminal cases pending in the District of Columbia and the Southern District of New York.

"My attention has been called to a statement by Charles W. Morse and his associates to the effect that the United States Government owes to the companies with which he is affiliated large sums of money and also that all charges of fraud against him have been withdrawn by the Government.

"The suit which the Virginia Shipbuilding Corporation filed against the Emergency Fleet Corporation in the Eastern District of Virginia has been tried, and the court now has it under advisement. It would therefore be improper for me to make any statement whatever upon the subject.

"The Government bill was filed in December, 1921. It charged that the various corporations with which Mr. Morse was associated had through fraud and conspiracy obtained large sums of money from the Government and asked

that they be required to account to the Government for this money. Later, officials of this company were indicted for these identical frauds in the District of Columbia and in the Southern District of New York.

"The four Moroses went into four different jurisdictions and since last May have been resisting proceedings for their removal to the Southern District of New York. In these proceedings the auditors and the officials of the Morse companies have admitted under oath on cross-examination that these companies are entirely bankrupt, that the United States Transportation Company is entirely without assets, has been out of business since the spring of 1921 and has over \$2,000,000 of debts; that the Groton Iron Works is in bankruptcy and has over \$2,000,000 of debts; that the Virginia Shipbuilding Corporation is in bankruptcy and has debts of over three-quarters of a million dollars, and that the United States Steamship Company has no assets and is in the hands of a receiver.

"It became, therefore, perfectly clear that to proceed to prove the allegations of fraud in this civil suit would be an entirely futile proceeding as any judgment against these companies would be worthless and the Government would not be able to recover its court costs."

SCHWAB SEES PERIOD BRIGHTEST IN HISTORY

Declares Outlook Never Before Was So Encouraging.

Charles M. Schwab made an optimistic reply yesterday when Lewis E. Pierson, president of the Merchants Association which is celebrating its twenty-fifth anniversary, asked him what he thinks of the immediate business outlook. It was never better, he said.

"It is rather difficult to say what the immediate future holds in store for us, as it is subject to so many and various elements," asserted Mr. Schwab. "But I say emphatically that I am confident the general tendency of business in this country must be always upward and upward. This country is endowed with natural resources such as no other nation in the world has; it requires only the touch of American enterprise and energy to these resources to supply the needs and comforts of the people of this country and a good part of the world.

"After forty-three years of business I can say that I see a greater future at this period of my life than I ever saw at any period of the forty-three years gone by. Occasional interruptions of this onward march may come to us for reasons over which we in this country have no control, but a long look ahead discloses a prosperous future."

GARY SAYS WAGES CANNOT GO LOWER

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opinion of Judge E. H. Gary, head of the United States Steel Corporation, who testified today before the Federal Trade Commission on steel price quotations. Judge Gary said wages could not go any lower because of a continued high cost of living. He was referring directly to his own industry, but the statement was general.

Judge Gary added that from 80 to 90 per cent of the cost of steel production was paid in wages and these wages could be brought no lower.

Judge Gary said that steel and iron products normally are sold all over the United States on the basis of prices prevailing in Pittsburgh merely because the industry needs some method of making quotations. His testimony was given in an investigation by the Federal Trade Commission into the price fixing. There is no purpose of limiting competition or maintaining prices within the industry, Judge Gary insisted, declaring that in periods of good business the Pittsburgh base almost disappears.

"This Pittsburgh base exists so far as I know for the purpose of fixing a quotation price," said Judge Gary. "It was adhered to or not, depending on whether business was good or bad. The seller of steel, like the buyer of steel, had to have some level to determine transactions. The price of wheat, for instance, at Chicago determines the price of wheat everywhere, and in various other commodities the same thing is true.

"What we of the Steel Corporation want is stability of business and in my judgment the Pittsburgh base price custom makes for stability of business. I know that it is hard for some consumers to see it, men get occupied with these matters as they affect an individual situation—but nevertheless it is true.

"You know the Steel Corporation is not making money now. Business is pretty good, but we have got two and a quarter billions invested and the return rate on that amount is low.

"We have simply got to hold on and wait until prosperity and adjustments that I firmly believe the law of supply and demand will make bring all these things together. Meanwhile we want to retain stability, in the interest of ourselves as manufacturers, our workmen and the consuming public."

FEAR FOR GOWAN YACHT MISSING ON WORLD TOUR

Boat of Chicagoan and Party 5 Days Overdue at Canaries.

Chicago, Nov. 6.—Some fear was expressed today for the safety of Albert Y. Gowan of Chicago and his party when it became known that the 38 foot motor yacht Speejaacks in which they had nearly completed a trip around the world was five days overdue at the Canaries Islands.

The party sailed from Gibraltar October 28 for the Canaries and expected to touch at Las Palmas for gasoline. Mr. Gowan's secretary here today said there was a possibility that the Speejaacks had encountered heavy storms. Twice before in the trip the Speejaacks has been in danger. It struck a reef off the Solomon Islands and was caught in a typhoon in the harbor at Apia, Samoa. Mr. Gowan and his party left New York a year ago last August.

STAB WOUND INFLECTED BY MOTHER KILLS MAN

Blood Poisoning Fatal After Three Weeks.

Special Dispatch to THE NEW YORK HERALD. PHILADELPHIA, N. J., Nov. 6.—Coroner Russell Doyle and S. C. Smith, Jr., County Prosecutor, started an investigation today into the death of John Bloch, 29, who succumbed yesterday to blood poisoning, the result of a cut over his heart, inflicted three weeks ago by his mother, Mrs. Mary Bloch, 71. The wife of the victim, Mrs. Nellie Bloch, said the elder Mrs. Bloch and she were in an argument and the older woman chased her out of the house and through the yard with a pitchfork. John Bloch heard his wife scream, came to her aid and took the pitchfork away from his mother. Then the stabbing occurred.

ADELPHI GIRLS BALLOT 2 TO 1 FOR GOV. MILLER

Faculty Favors Miller 17 to 1 at Mock Election.

The girl students at Adelphi College, Brooklyn, the only accredited degree conferring college for women on Long Island, are strong for Gov. Miller, judging by the straw ballot taken at the college yesterday, when they voted two to one for the Governor. The faculty voted for him seventeen to one.

At the conclusion of the vote, which was called a "mock election," President Frank D. Blodgett sent a telegram to Gov. Miller telling him the result and wishing him success.

SAYS WILSON ERRED IN HIS APPEAL TO VOTERS

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issued. . . Even before the Slayden letter was one endorsing Davies in Wisconsin as against Lenroot. . . Then came the letter to the people of the whole country, reflecting upon the Republicans, saying that they were in great part pro-war but not pro-administration.

Speech to Congress.

November 11, 1918.

On Sunday I heard that Germany was flying the red flag, and postponed my promised visit to the Governors of the South, to be held at Savannah. At 11 yesterday word came that the President would speak to Congress at 1, and that he would have no objection if the Departments closed to give opportunity for rejoicings. I went to a meeting of the Council of National Defense and spoke, welcoming the members. It was a meeting called by Baruch to plan reconstruction—but the President had notified him on Saturday that he could not talk or have talking on that subject. So all I could do was to give a word of greeting to men who are bound to be disappointed at being called for nothing.

The President's speech was, as always, a splendidly done bit of work. He rose to the occasion fully, and it was the greatest possible occasion.

Lansing says that they (the President) had the terms of

Armistice before election—terms quite as drastic as unconditional surrender.

Both Houses Lost.

WASHINGTON, November 9, 1918.

To my great surprise we have lost both houses. We felt sure that we would carry both, and did not appreciate the extent to which the Republicans would be consolidated by the President's letter, which, from what I hear, was one of the inducing causes of the result; although not by any means the only one, for the feeling in the North and West was strong that the South in some way was being preferred. I am fresh from a talk with Senator Phelan, who, to my surprise, tells me that these were the factors in the New England States from which he has just come. . . . The Wilson Administration may be judged by the great things that it has done—the unparalleled things—and the election of last Tuesday will get but a line in the history of this period, while the Versailles conference and the Fourteen Points of Wilson's message will have books written about them for a century to come.

The seventh installment of Mr. Lane's letters will appear in THE NEW YORK HERALD to-morrow.

PORTO RICAN TRADE DROPS.

SAN JUAN, P. R., Nov. 6.—Island commerce for the fiscal year ended with June, amounting to \$136,317,720, shows a decline of \$81,410,558 from the previous year, which, next to 1920, was the banner trade year of the island. Exports were valued at \$72,142,571 and imports totaled \$64,175,149.



Keep warm with current while waiting for coal

AN EMPTY COAL BIN down in the cellar doesn't necessarily imply chilly rooms and draughty hallways. With an electric heater reflecting tropical heat waves you can chase chills and draughts and enjoy comfort.

Imagine a few of these conveniences: switching on heat before venturing out of bed; washing in a warm bathroom; dressing the baby in a nursery of temperate atmosphere. And the cost of this radiant, glowing warmth is but a nickel an hour.

The heater here at Lewis & Conger's houseful of housewares gives more than usual satisfaction. STORE OPENS 11 O'CLOCK ELECTION DAY

LEWIS & CONGER

45th Street and Sixth Avenue
One block north of the Hippodrome

Open All Day Today (Election Day) Until 5:30

HEARN

FOURTEENTH STREET WEST OF FIFTH AVE.

ELECTION DAY SPECIALS IN MEN'S WEAR

Three Specials in Men's Clothing

OVERCOATS

Usters, Ulsterettes—kimona, box or raglan sleeve—full or half belted and Chesterfields—all desirable shades—well made from fine all wool overcoatings, plaid backs—sizes 34 to 48, regular or stout.

29.75

SUITS

Single and two-trouser Suits—all wool—well tailored—best fabrics, styles and shades—sizes 34 to 50—regular, stout, short, long.

Each

OVERCOATS

Also a good selection of popular shades in all-wool plaid backs—Usters and Ulsterettes—raglan shoulders—full or half belted and Chesterfield models—sizes 34 to 46. . . . 23.75

Men's Fine Shirts—imported woven and silk striped madras in new and exclusive patterns—also extra large bodied shirts—genuine poplins in white and grey—balloon cloth in white and tan—with and without collars—all sizes—were \$2.25. . . . 1.69

Men's Beacon Blanket Bath Robes—large assortment of novelty robes—checked and figured—with cord-trimmed shawl collar—all sizes—were \$9.50. . . . 7.55

Men's Silk Neckwear—large assortment—well made—new patterns, stripes, figures and jacquards—were .74.58

Men's Winter Underwear—well known make—gray shirts and drawers—wool mixed—soft and durable—all sizes. . . . Special 1.37

Men's Cotton Union Suits—Reis and other makes—elastic ribbed—tan or gray—all sizes. . . . Special 1.37

Men's Roots Underwear—first quality wool mixed—single or double-breasted shirts—sizes 36 to 46—drawers, sizes 32 to 44. Special 1.87

Men's Union Made Overalls or Coats—blue or blue striped, brown or white—regular sizes 36 to 42—extra sizes, 44 to 50, 20 additional—were \$1.22 and \$1.42. . . . 1.00

Men's Flannel Shirts—collars attached—gray or khaki—sizes 14 to 18—were \$1.95. . . . 1.67

The McCreery Men's Shop



This store will not open until 10 o'clock this morning in order that our employees may have an opportunity to vote.

For Election Day Only!

IMPORTED AND DOMESTIC

ULSTERS

\$55.00

Regularly \$65.00 and \$75.00

Fifty-five Dollars is the price for today only! Tomorrow they go back to regular prices. Great Ulsters, Towne Ulsters, Ulsterettes and Slip-ons with regular or Raglan shoulders, slash or patch pockets and half belts or belt-all-around. The fabrics are all-wool Crombies, Worumbos, O'Briens, Friezes, Meltons and other fine domestic materials of the "warmth-without-weight" type; soft fleecy and durable with novelty inside facings, Silk yokes and sleeve linings. They are tailored expressly for us by prominent English and American firms. All sizes.

MEN'S SUITS \$47.50

Regularly Priced \$55.00 to \$65.00

These too, are specially priced for Election Day only! And it will be well worth while for you to see them. They are from our regular stock and display the McCreery standard in the niceties and necessities of their tailoring and workmanship. Finished and unfinished Worsteds, Cassimeres and Cheviots. Single breasted, double breasted and sport models. A complete range of sizes.

Also Specially Priced—4-Piece

GOLF SUITS \$47.50

At this price there are famous Gardner "Free Swing" Suits and a group of smart Norfolk models. Tweeds, Homespuns and Cheviots. All sizes.

James McCreery & Co.

FIFTH AVENUE

35th STREET

SECOND FLOOR—USE THE SPECIAL FIFTH AVENUE ENTRANCE